

RESOLUTION NO. 00-22

RESOLUTION OF THE CALIFORNIA HOUSING FINANCE AGENCY TO FACILITATE THE AFFORDABLE HOUSING PRESERVATION ACTIVITIES OF THE AGENCY BY AMENDING RESOLUTION NO. 00-06A TO AUTHORIZE THE ISSUANCE OF BONDS UNDER A NEW FORM OF "PASS-THROUGH" INDENTURE FOR THE PURPOSE OF ACQUIRING FROM FANNIE MAE A PORTFOLIO OF MORTGAGE LOANS INSURED BY FHA UNDER SECTION 236 OF THE NATIONAL HOUSING ACT

WHEREAS, the California Housing Finance Agency (the "Agency") has determined that there exists a need in California for the financing of mortgage loans for the acquisition, construction, development or preservation of multifamily rental housing developments that provide housing for persons and families of low or moderate income;

WHEREAS, the Agency has determined that it is in the public interest for the Agency to provide such financial assistance by means of an ongoing program to make or acquire, or to make loans to lenders to make or acquire, mortgage loans that finance such developments;

WHEREAS, pursuant to Parts 1 through 4 of Division 31 of the California Health and Safety Code (the "Act"), the Agency has the authority to issue bonds (including notes and other evidences of indebtedness) to provide sufficient funds to finance such program;

WHEREAS, on January 20, 2000 the Agency adopted its Resolution No. 00-06A authorizing the issuance of Bonds (as defined in the Act and such resolution, including notes and other evidences of indebtedness) to provide funds for the Program (including the acquisition of existing Loans financing existing Developments, as such capitalized terms are defined in such resolution), and also adopted its related Resolution No. 00-05A;

WHEREAS, on May 11, 2000, the Agency adopted its Resolution No. 00-12 to amend Resolution No. 00-05A and 00-06A in order to facilitate the affordable housing preservation activities of the Agency by authorizing the issuance of additional obligations to finance the acquisition of existing mortgage loans that finance existing developments and to approve a new form of indenture under which the Agency may issue commercial paper notes;

WHEREAS, the Federal National Mortgage Association ("Fannie Mae") proposes to sell to the Agency Fannie Mae's available portfolio of such existing mortgage loans insured by the Federal Housing Administration under Section 236 of the National Housing Act of 1937, as amended with a current aggregate principal balance of approximately \$270,000,000 (the "Section 236 Loans");

WHEREAS, negotiations since the adoption of Resolution No. 00-12 with Fannie Mae have resulted in a proposed form of transaction under which Fannie Mae would purchase

bonds issued by the Agency and the proceeds of the bonds would be used to purchase the Section 236 Loans; and

WHEREAS, the bonds to be issued by the Agency are proposed to be limited obligations paying principal and interest on a pass-through basis under which the principal and interest paid on the Section 236 Loans will be used to pay principal and interest, respectively, on the bonds (net of the Agency's costs of issuing, carrying and administering the transaction); and

WHEREAS, the Agency now desires to amend Resolution No. 00-06A, as previously amended by Resolution No. 00-12, to approve a new form of indenture under which the Agency may issue pass-through bonds as described above and to authorize the purchase of the Section 236 Loans;

NOW, THEREFORE, BE IT RESOLVED, by the California Housing Finance Agency as follows:

Section 1. Approval of Pass-Through Bond Indenture. In order to authorize the execution and delivery of one or more indentures providing for the issuance of and securing pass-through bonds of the Agency, Section 3 of Resolution No. 00-06A is hereby amended to move the word "or" from immediately before subsection (a)(16) thereof to immediately after such subsection (a)(16) and to add thereafter a new subsection (17) to read as follows:

"(16) the form of pass-through bond indenture presented to the July 13, 2000 meeting of the Agency".

Section 2. Authorization of Purchase of Section 236 Loans. In order to authorize the purchase from Fannie Mae of the Section 236 Loans, Section 10 of Resolution No. 00-06A is hereby amended to add a new paragraph at the end thereof to read as follows:

"The purchase by the Agency from the Federal National Mortgage Association (Fannie Mae") of its available portfolio of mortgage loans insured by Federal Housing Administration under Section 236 of the National Housing Act of 1937, as amended (the "Section 236 Loans") is hereby authorized and approved. The current aggregate principal balance of Section 236 Loans so purchased shall not exceed \$300,000,000. The Executive Director and the other officers of the Agency are hereby authorized and directed to execute all documents they deem necessary in connection with the purchase from Fannie Mae of the Section 236 Loans, including, but not limited to, a loan purchase or loan sale agreement and a servicing agreement."

Section 3. Ratification of Prior Actions. All actions previously taken by the officers of the Agency in connection with the purchase of the Section 236 Loans and the issuance of bonds for such purpose are hereby approved and ratified.

SECRETARY'S CERTIFICATE

I, David N. Beaver, Secretary of the Board of Directors of the California Housing Finance Agency, hereby certify that the foregoing is a full, true, and correct copy of Resolution 00-22 duly adopted at a regular meeting of the Board of Directors of the California Housing Finance Agency duly called and held on the 13th day of July, 2000, of which meeting all said directors had due notice; and that at said meeting said resolution was adopted by the following vote:

AYES: ANGELIDES (by Peterson), BORNSTEIN, CONTRERAS-SWEET (by Neal),
HAWKINS, KLEIN, MOZILO, WALLACE

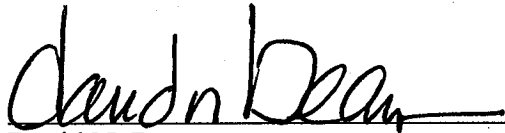
NOES: NONE

ABSTENTIONS: NONE

ABSENT: CZUKER, EASTON, HOBBS

IN WITNESS WHEREOF, I have executed this certificate and affixed the seal of the Board of Directors of the California Housing Finance Agency hereto this 13th day of July, 2000.

[SEAL]



David N. Beaver
Secretary of the Board of
Directors of the California
Housing Finance Agency

SECRETARY'S CERTIFICATE

I, David N. Beaver, Secretary of the Board of Directors of the California Housing Finance Agency, hereby certify that the foregoing is a full, true, and correct copy of the Resolution 00-22 duly adopted at a regular meeting of the Board of Directors of the California Housing Finance Agency duly called and held on the 13th day of July, 2000, of which meeting all said directors had due notice; and that at said meeting said resolution was adopted by the following vote:

AYES: ANGELIDES (by Peterson), BORNSTEIN, CONTRERAS-SWEET (by Neal),
HAWKINS, KLEIN, MOZILO, WALLACE

NOES: NONE

ABSTENTIONS: NONE

ABSENT: CZUKER, EASTON, HOBBS

I further certify that I have carefully compared the foregoing copy with the original minutes of said meeting on file and of record in my office; that said copy is a full, true, and correct copy of the original resolution adopted at said meeting and entered in said minutes; and that said resolution has not been amended, modified, or rescinded in any manner since the date of its adoption, and the same is now in full force and effect.

IN WITNESS WHEREOF, I have executed this certificate and affixed the seal of the Board of Directors of the California Housing Finance Agency hereto this ____ day of _____, _____.

[SEAL]

David N. Beaver
Secretary of the Board of
Directors of the California
Housing Finance Agency